



CITY OF
PORTLAND, OREGON

GOVERNMENT RELATIONS

Elizabeth Edwards, Director
1221 S.W. Fourth Ave., Room 410
Portland, OR 97204
(503) 823-4130
Fax: (503) 823-3014

March 27, 2019

TO: Mayor Wheeler
Commissioner Fritz
Commissioner Fish
Commissioner Hardesty
Commissioner Eudaly
Auditor Mary Hull Caballero
Jessica Kinard, CBO
Elizabeth Gallagher, CBO

FROM: Elizabeth Edwards, Director

RE: Government Relations FY 18-19 Spring Budgeting Monitoring Process

The Office of Government Relations (OGR) has prepared the attached Spring Budget Monitoring Process (BMP) submittal items:

- 1) Summary of Budget Adjustments: The Office of Government Relations anticipates an encumbrance for a contract to update the Office's Strategic Plan, as mentioned in the FY 19-20 requested budget. Government Relations will also be making technical adjustments in the Spring BMP for office space reconfiguration to accommodate staffing, technology upgrades and staff travel for the added programs. OGR is not requesting any additional funding from the General Fund.
- 2) Current Year Projections: OGR is projecting to spend approximately 90% of its current budget.
- 3) Updates on the FY 18-19 budget notes and decision packages. (Decision package updates are provided in an electronic Excel format only via email to CBO.)

If you have any questions, please feel free to contact me.

Thank you,


Elizabeth Edwards
Director

Business Area Projection Report

Office of Government Relations

Fund	Major Object	2018-19 SPRING Requested Total	2019 February Actuals YTD	2018-19 SPRING Projection	% of Projected Actuals to Revised Budget
100	Personnel	1,437,290	849,074.49	1,288,519	89.65%
	External Materials and Services	316,849	147,090.77	293,989	92.79%
	Internal Materials and Services	210,555	133,891.59	190,249	90.36%
	Sum:	1,964,694	1,130,056.85	1,772,757	

Fund	Major Object	2018-19 SPRING Requested Total	2019 February Actuals YTD	2018-19 SPRING Projection	% of Projected Actuals to Revised Budget
	Interagency Revenue	196,000	20,000	196,000	100.00%
	Intergovernmental	35,000	0	35,000	100.00%
	General Fund Discretionary	800,713	0	800,713	100.00%
	General Fund Overhead	932,981	0	932,981	100.00%
	Miscellaneous	0	89.09	0	
	Sum:	1,964,694	20,089.09	1,964,694	
	Sum:	3,929,388	1,150,145.94	3,737,451	

Revenue Discussion

The majority of the Office of Government Relations' funding is from General Fund dollars, with revenues supplemented by interagency agreements and one intergovernmental agreement.

Revenue Risks

As a bureau that relies largely on General Funds, future declining City revenues are of serious concern to the Office of Government Relations. Given the relative size of the bureau and the programmatic workload delegated to each respective FTE, continuing 1% or greater reductions will result in a notable impact to bureau services. Possible reductions in interagency funds would compound this risk.

Expenditure Discussion

The Office of Government Relations is expected to spend 90% of its FY 2018-2019 budget. The Office projects personnel vacancy savings of approximately one FTE because of circumstances around the hiring of the Deputy Director/Regional Liaison, including a delay due to the class comp study and an internal hire resulting in a subsequent vacancy. Expenditures in External Material and Services and Internal Material and Services include office furnishings and reconfiguration to accommodate staff, upgrades to printing and office equipment and covering staff travel to Washington, DC, international sister cities, area tribal governments, Salem for the long state legislative session, and regional outreach. The External Material and Services projection also includes an anticipated contract to update the Office's strategic plan.

Expenditure Risks

The Office of Government Relations largely operates its five programs with General Fund dollars. On-going 1% reductions per year will impact our personnel budget, and may result in cuts in staffing and programming in the future if cuts persist. In FY 2018-2019, a 5% cut resulted in eliminating one position for the International Relations Associate. As the Office has added two new programs in the last two years, the Office will need to create temporary double-fills to uphold service levels and maintain good customer service. If the Office's budget is further cut, it will not have sufficient resources to continue supporting the programs sufficiently.